Olene S. Walker Governor Kevin S. Carter Director 675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818 801-538-5100 801-355-0922 (Fax) http://www.trustlands.com

April 30, 2004

RECEIVED

MAY - 3 2004

DIV OF OIL GAS & MINING

Quality Building Stone 8809 South 700 West Sandy, UT 84070

RE:

ML 48636-MP, Reclamation at Red Knoll Property; DOGM Permit S/015/083

Reclamation Bond, CD #

Gentlemen:

The above numbered permit expired on January 31, 2004. The Trust Lands Administration presently holds Quality Building Stone's CD # in the amount of \$2,000.00 as bond to ensure reclamation of mining disturbances and payment of royalties upon the permitted lands. Please immediately reclaim the mining disturbances and submit a statement of production and royalty in order to secure release of the bond.

Reclamation requires that Permittee re-grade cuts dug into the sandstone ledges at the north end of the permitted lands, and fill material from the drainage where the access trail crosses.

Royalty settlement requires that Permittee complete the enclosed production form and submit it along with any royalties accruing to the trust.

Please contact me at (801) 538-5152 if you have any questions.

Sincerely,

John T. Blake

Mineral Resources Specialist

CC: Paul Baker

